

Indiana Solar Energy Working Group

Maximizing Incentives to Promote Sustainable
Solar Projects

Presenter:

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Organizational Structure



Sustainable Energy Financing, LLC



Services

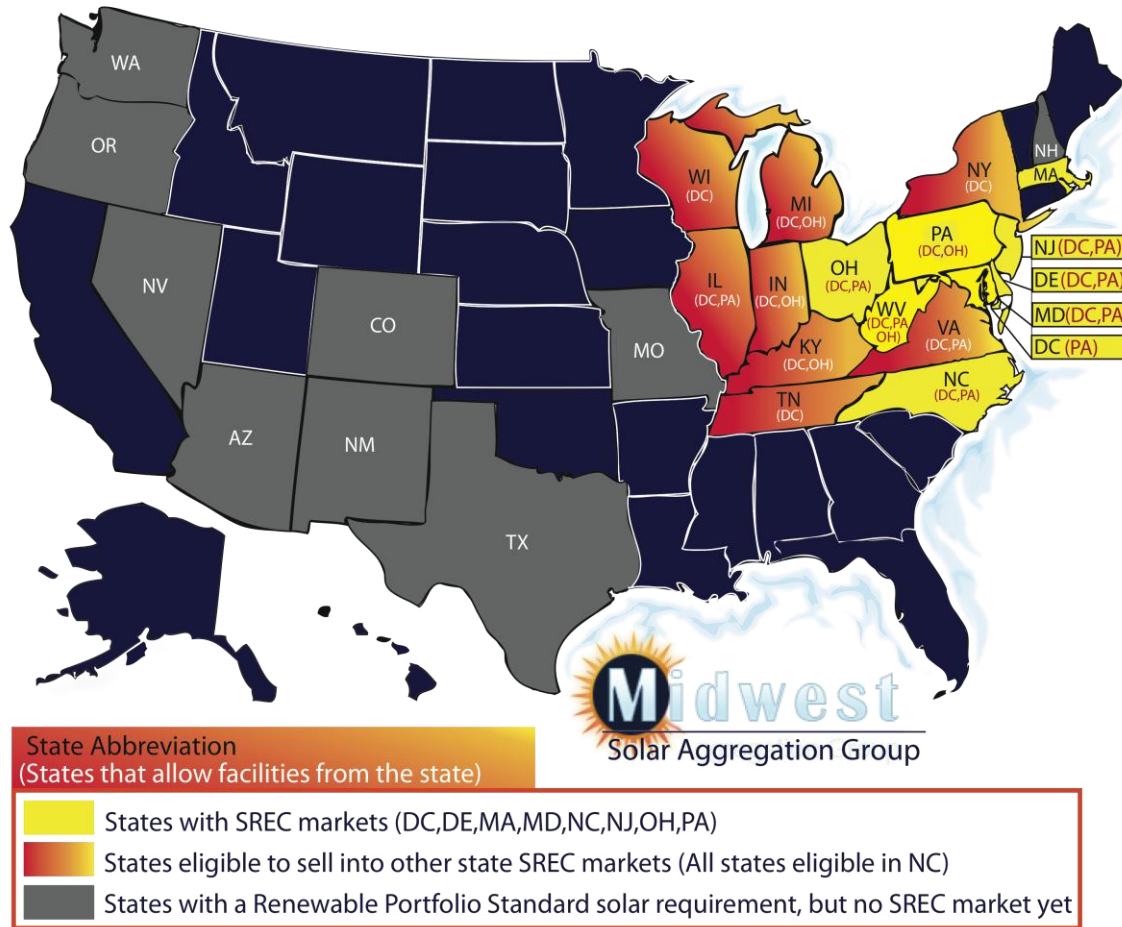
- Grants and Tax Incentive Acquisition
- Economic Development Funding Opportunities
- Project Financing
- Carbon Credit and Market Development Consulting
- Solar Renewable Energy Credit Aggregation and Brokerage



SREC Background

- 1,000kWh = 1 MWh = 1 SREC
- State Renewable Portfolio Standards are Key
- Significant Opportunity for Solar Development
- SREC Prices Vary from State to State
- State Certification is Required
- Value of SRECs Can Be More Valuable than Electricity
- Maintain Control of SRECs

Comparing SREC Markets



What Makes a Viable SREC Market?

- State RPS
- Solar Carve Out
- Solar Alternative Compliance Payment
- Ohio Example

Energy Year	Projected SREC Required	% RPS Solar Requirement	SACP (\$)
2009	7,000	.004	450
2010	17,000	.01	400
2011	52,000	.03	400
2012	105,000	.06	350
2013	160,000	.09	350
2014	215,000	.12	300
2015	275,000	.15	300
2016	330,000	.18	250
2017	415,000	.22	250
2018	495,000	.26	200
2019	580,000	.30	200
2020	670,000	.34	150
2021	750,000	.38	150
2022	850,000	.42	100
2023	945,000	.46	100
2024	1,040,000	.50	50

Getting Started

- Design Your Project
 - Identify Available Incentives
 - Start Process Early
 - Do Your Homework
 - Understand Programmatic Requirements
 - Power Purchase Agreements



Case Study

- 100 KW (DC) Solar PV System
 - Cost \$6,000/KW (DC) before incentives
 - \$600,000 Total Project Cost
- Eligible for USDA REAP (25% of Project Cost)
- Department of Treasury Section 1603 (30% of Project Cost)
- Net Cost = \$270,000
- Annual Electricity Production Estimated at 120 MWh
 - @ \$.07/ kWh = \$8,400 per year or 28 year payback
 - However at \$200 per SREC, total “production based incentive” = \$24,000/year
 - Combined revenue results in \$32,400 per year or 8.3 year payback
 - Additionally, MiSAG can offer one time upfront discounted payments to further reduce capital cost, although it will increase payback



Thank You!

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